RBS Purchases 4.9% Of Mid America Stock

Special to the American Banker

LOUISVILLE, Ky. — RBS, a limited partnership being advised by an affiliate of Pennsylvania's second-largest bank holding company, has purchased 4.9% of the stock of Mid America Bancorp, Bank of Louisville's parent company.

Bertram Klein, president of Mid America, said the 220,000 shares were sold for about $17 each, making the transaction's value about $3.7 million.

The stock represents about half the Mid America holdings of the estates of Jack and Florence Simon, who died in 1983 and 1984, respectively. Mr. Simon was a president of the Royal Bank of Louisville, which merged with Bank of Louisville in 1963.

Mr. Klein said the sale occurred to meet the liquidity needs of the estates. He said he has been assured by the estates' executor, Louisville attorney Joseph Kaplan, that the rest of the Simons' shares would "not be sold at any time in the near future."

Mr. Klein said he also has been assured that RBS is acquiring the stock solely as a passive investment. He said it has not asked for representation on the company's board.

Mr. Klein said he did not know any of RBS' principals, but is familiar with Provident National Investment Corp. of Philadelphia, the firm that is advising it.

Provident is an investment advisory affiliate of PNC Financial Corp. in Pittsburgh, a $12.9 billion bank holding company with banks in Pittsburgh, Philadelphia and Erie, Pa., and one in Delaware.

The Klein family owns about 35% of Mid America, and Mr. Klein said the family has no intention of selling any of its interest. ■

Wilson & Muir Ups Offer for Bullitt County Shares

Special to the American Banker

BARDSTOWN, Ky. — Wilson & Muir Bancorp Inc. of Bardstown has raised its offer for shares of the Bullitt County Bank.

The Bardstown bank holding company is offering $2,175 per share, $125 per share more than the first offer it made Jan. 11.

Robert E. Sutherland, Wilson & Muir president, said that nearly 40% of the 2,000 shares had been tendered just two days after the first offer.

Wilson & Muir also reduced the minimum number of shares required to satisfy its offer from 66.67% to 50.05%, or 1,001 of the shares outstanding, Mr. Sutherland said.

Following Wilson & Muir's first offer, a Bullitt County group consisting of J. Chester Porter, William G. Porter, and Dr. Ronald Masden made a counteroffer of $2,150 a share.

The Bullitt County group made an unsuccessful bid for the $17 million-asset bank at $1,000 a share last fall and subsequently attempted to gain control by approaching individual shareholders. ■

Toll-Free Number For Bank Queries

By PHILIP T. SUDO

NEW YORK — The New York State Banking Department has established a toll-free telephone number to handle consumer complaints and public inquiries.

The number, 1-800-522-3330, is the second consumer assistance measure the department has introduced in the last four months. In October, the department released a "consumer shopping guide" with information on interest rates and fees at most of the state's banks and savings and loan institutions.

Vincent Tese, superintendent of banks, said in a statement, "This new toll-free telephone number will provide us with another opportunity to better serve the public's needs, especially those in the upstate areas of New York, where telephone access to the Banking Department's headquarters in New York is not only inconvenient but expensive."

Mr. Tese said bank examiners will answer the public's questions on banking issues. If the caller has a complaint against a state-chartered institution, he or she will be asked to provide the department with the facts of the problem in writing, including copies of pertinent documentation.

The number is in service between 9 a.m. and 5 p.m. Monday through Friday. For those in the 212 and 718 area codes, the banking department can be reached directly by dialing 488-2248. Toll-free calls to the banking department can be made only within New York State. ■

Home Loan Banks Complete System's 1st Eurobond Issue

By ANDREW ALBERT

WASHINGTON — The Federal Home Loan Bank System has completed its first Eurobond issue, marking an important step toward broadening its traditional investor base to meet future financing needs.

Proceeds of the $200 million issue will be added to the general funds of the Federal Home Loan Banks and will be made available to member thrift institutions for loans, primarily mortgages.

The issue, which was settled Jan. 10, consists of $200 million in five-year obligations. The bonds will pay annual interest of 11%.

Finance officials at the Home Loan Bank System estimate the issue will save them $700,000 in interest costs, compared with a similar offering in the domestic market.

The issue is the Home Loan Bank System's first entry into the Eurobond market since recent congressional legislation removed the 30% withholding tax on foreign holders of U.S. debt. Sale of the bonds will provide funds for Federal Home Loan Bank lending at a rate competitive with domestic sources, the agency said.

In a news release, Federal Home Loan Bank Board Chairman Edwin J. Gray said the system "will continue to tap the Eurobond market when the [12] banks need additional funding and the market is receptive to our presence."

The release also said that the Home Loan Bank System intends to develop this market in the future as it adopts a more global financing perspective. Cultivation of the Euromarket represents an opportunity for the bank system to enhance its financing flexibility, it added.

At the same time, the system said it would respect the relative sizes of the markets in which it operates, and their ability to satisfy its borrowing needs.

Mr. Gray first announced plans to enter the Euromarket on Dec. 5.

The bonds were marketed through an international banking syndicate led by Credit Suisse First Boston Ltd. ■

Home Banking . . .

Continued from Page 1

at a disadvantage in determining market position, since such software is not required by many institutions offering home banking. The Bank of America, heretofore considered No. 1, has an open system that relies for identification on the personal identification codes, passwords, and account numbers that the user himself enters, not codes entered automatically by a software program.

To standardize its survey, the *American Banker* asked Chemical and other institutions to disclose the total number of personal identification codes issued to home banking customers.

On that basis, Bank of America is second with 16,000.

Third probably is Citibank, which had 1,000 in its HomeBase pilot test and is believed to have converted most to Direct Access, its new fully operating program. Citibank declines to disclose how many use Direct Access but says new customers have been signing on steadily since it was introduced in December. Its Focus asset management accounts, an upscale product, also can go on line since October.

Fourth is Madison National Bank, Washington, with 650 in its proprietary system, up from 550 in October.

Beyond that, no institution appears to have more than a few hundred on-line customers. The growth has been slow. It is expected to accelerate as the technology catches on and banks improve their systems and add enhancements.

Only one bank has dropped out of home banking recently — Farmers State Bank & Trust Co., Jacksonville, Ill., which had seven customers in a pilot test of a system it designed.

In the *American Banker* issue of Oct. 29, Continental National Bank, Miami, was shown incorrectly as having 950 on-line customers, which would have been a huge increase. The bank acknowledges that it furnished a total combining ATMs and home banking customers. Its home banking customers now number 270.

Chemical Bank issued a news release on Thursday, announcing it now has more than 16,000 households in Pronto and noting this was a 150% increase since last July.

"It appears that electronic banking and information services are taking hold," the release said.

The bank said a survey shows that 53% of Pronto subscribers have incomes of more than $50,000 and 36% earn between $25,000 and $50,000 annually. The largest age group comprises those between 35 and 49 who account for 44% of users. Almost 45% have college degrees and 39% have graduate degrees.

"More than 1,200 households now are signing on monthly, and the percentage of those new to Chemical is 18%, up from the 16% September figure," Robert B. Willumstad, senior vice president, said in the announcement.

"They also tend to open more new accounts with the bank. The average Pronto user has more than twice as many accounts with the bank as non-Pronto Chemical customers."

Chemical said that households in which two people use the service accounted for 41% of the total. In 7%, three or more use it.

The aggregate numbers seem certain to grow. For example, the New York market is under a barrage of advertising and in-branch promotion by Chemical's competitors — Manufacturers Hanover Trust Co., Citibank, and Chase Manhattan Bank. All rolled out full commercial home banking programs in late 1984. None will say how many users have signed on.

The next program to go live probably will be that of Security Pacific National Bank, Los Angeles. It has repeatedly delayed plans to hook into the Gateway videotex system in Orange County, Calif., via VideoFinancial Services. Early February now is the target.

VideoFinancial Services also has a deal with CompuServe to be the gateway for banks into that on-line information service. William S. Harris, the VideoFinancial president, says a series of announcements are forthcoming.

Another system operator — Shuttle Corp., Redmond, Wash. — expects to put Louisiana National Bank, Baton Rouge, on line in the first quarter and says it has contracts with other institutions.

The NCR Universal Credit Union, Dayton, Ohio, has formed a cooperative to share research and development expenses with three other credit unions and expects the others to go live in April on CompuServe. NCR Universal itself has 150 on-line customers.

And Southeast Bank, Miami, is considering making its service available to personal computer users, not just through the Sceptre terminals required for Viewtron, the videotex system in southern Florida.

Viewtron has fallen far short of its promoters' hopes. Mr. Harris of VideoFinancial says it has 3,200 to 3,500 subscribers altogether and the home banking customers in that group number less than 1,000.

Whatever the exact number, only 74 of them are in the four other Viewtron banks with operating or pilot programs. The rest are in Southeast, which has not disclosed the number. Lester Freeman, Southeast marketing officer, did not respond to telephone requests for the total.

The problem is costs for the user. Though it brings in videotex pages of beautiful color and graphics, the Sceptre terminal is $600 to buy or $39.95 a month to lease as part of a subscriber package. But its use is limited to Viewtron.

By contrast, the owner can use a microcomputer for a growing array of functions, either on line to a videotex service or off line with his own software. He sacrifices high resolution color and graphics for a text-only system that is more diversified. He may pay more for it but he can do more. ■

British One-Pound Notes No Longer Quid Pro Quo

LONDON (UPI) — Inflation claimed another victim last week: Britain's treasury stopped producing one-pound notes after 187 years.

There are still 550 million of the bills in circulation, but the treasury expects they will be withdrawn by the end of the year.

Instead, the treasury is continuing to mint one-pound coins, despite initial public disapproval of the small coin. Its critics included Prime Minister Margaret Thatcher.

Inflation doomed the one-pound note. When the pound — popularly called a quid — was worth several dollars, it figured in far fewer transactions than it does today, with its current value of about $1.11.

Consequently, it now wears out so fast that its average life is only nine months as against 40 years for a coin. It costs 3 million pounds to print a new issue of the notes. ■

To Our Readers

The financial services stock tables and summary were not published today because of technical problems. ■

Who's Who in Home Banking Nationwide

ACI: Applied Communications Inc.'s Base24. **AP:** Associated Press. **CIS:** CompuServe. **DA:** Data One Inc., Knoxville. **DJ:** Dow Jones News/Retrieval. **HAR:** Harbinger Home Computer Services Inc., Atlanta. **HBI:** Home Banking Interchange. **INF:** Informart. **KFX:** Keyfax. **K-R:** Knight Ridder Newspapers' Viewdata Corp. of America Inc. **NCR:** NCR Universal Credit Union's Companion At-Home. **NOA:** National Oceanic & Atmospheric Administration. **Own:** Proprietary. **PRO:** Pronto. **SHU:** Shuttle Corp.'s Scratch Pad. **SO:** The Source. **T-M:** Times Mirror Videotex Services. **VBK:** VistaBanc (Toledo Trust Co.) **VFS:** VideoFinancial Services of America.
■—Operational.□—Pilot.○—Planned. X—No plans to implement. •—New entry in table. +—Revised entry.

Table revised 1/18/85.

	Institution	Status	System	Bill Paying	Statement On-Line	Brokerage	No. of User IDs	Additional Service Provider
ARIZONA	Western Savings & Loan Assn., Phoenix	□	HBI	□	□	○	100	T-M, INF
ARKANSAS	Worthen Bank & Trust Co., Little Rock	□	PRO	□	□	○	87	PRO
CALIFORNIA	Bank of America NT&SA, San Francisco	■	Own	■	■	○	16,000	T-M
	Crocker National Bank, San Francisco	□	PRO	□	□	X	200	PRO
	First Interstate Bank of Calif., Los Angeles	□	Own	□	□	X	240	SO
	IBM Pacific Credit Union, San Jose	○	NCR	○	○	○	--	CIS
	Security Pacific National Bank, Los Angeles	○	VFS	○	○	○	--	T-M
CONNECTICUT	Colonial Bank, Waterbury	□	HBI	□	□	X	70	T-M, INF
	+ Union Trust Co., New Haven	■	PRO	■	■	○	200	PRO
DISTRICT of COLUMBIA	American Security Bank	○	PRO	○	○	○	--	PRO
	+ Madison National Bank	■	Own	■	■	○	650	O
FLORIDA	Bank of Coral Gables	■	VFS	■	■	○	8	K-R
	Barnett Bank, Jacksonville	□	HBI	□	□	X	100	T-M, INF
	Chase Federal Savings & Loan, Miami	○	VFS	○	○	○	--	K-R
	City National Bank, Miami	○	VFS	○	○	○	--	K-R
	Coconut Grove Bank, Miami	○	VFS	○	○	○	--	K-R
	Continental National Bank, Miami	■	Own	■	■	○	270	X
	County Natl. Bank of South Fla., North Miami Beach	□	VFS	□	□	○	37	K-R
	Dade Savings & Loan Assn., Miami	○	VFS	○	○	○	--	K-R
	Dadeland Bank, Miami	■	VFS	■	■	X	23	K-R
	Flagler National Bank, West Palm Beach	□	VFS	□	□	○	6	K-R
	Fla. National Banks of Fla., Jacksonville	□	PRO	□	□	○	N.A.	PRO
	The Mall Bank, West Palm Beach	○	VFS	○	○	○	--	K-R
	Southeast Bank NA, Miami	■	VFS	■	■	○	N.A.	K-R
GEORGIA	• Fulton Federal Savings & Loan Assn., Atlanta	■	HAR	■	■	X	N.A.	
ILLINOIS	Continental Illinois NB&T Co., Chicago	□	HBI	□	□	X	75	T-M, INF
	First National Bank of Chicago	○	KFX	○	○	○	--	KFX
LOUISIANA	• Louisiana National Bank, Baton Rouge	○	SHU	○	○	X	--	AP,NOA
MASSACHUSETTS	Shawmut Corp., Boston	■	Own	■	■	X	N.A.	X
MICHIGAN	First of America Bank Corp., Kalamazoo	□	HBI	□	□	X	120	T-M, INF
	Manufacturers National Bank, Detroit	□	PRO	□	□	X	200	PRO
	National Bank of Detroit	□	Own	□	□	○	120	X
MINNESOTA	Northwest Orient Airlines Credit Union, Minneapolis	○	NCR	○	○	○	--	CIS
NEW YORK	+ Chase Manhattan Bank NA, New York	■	Own	■	■	■	N.A.	X
	Chemical Bank, New York	■	PRO	■	■	○	21,000	PRO
	+ Citibank(Direct Access), New York	■	Own	■	■	○	N.A.	DJ
	• Citibank(Focus), New York	■	Own	■	■	■	N.A.	X
	+ Empire of America Bank, Buffalo	□	Own	□	○	X	150	○
	Manufacturers Hanover Trust Co., New York	■	ACI	■	■	X	N.A.	X
	Marine Midland Bank NA, New York	□	HBI	□	□	X	100	T-M, INF
	United States Trust Co., New York	■	Own	X	■	■	100	X
NORTH CAROLINA	First Union National Bank, Charlotte	□	HBI	□	□	X	40	T-M, INF
	• NCNB National Bank, Charlotte	○	VFS/CIS	○	○	○	--	CIS
	• Wachovia Bank & Trust Co., Winston-Salem	○	VFS	○	○	○	--	K-R
OHIO	BancOhio National Bank, Columbus	□	HBI	□	□	X	50	T-M, INF
	Huntington National Bank, Columbus(BancShare)	■	CIS	■	■	○	N.A.	CIS
	Huntington National Bank, Columbus(ExpressWire)	■	Own	--	--	X	N.A.	X
	National City Bank, Cleveland	□	HBI	□	□	X	45	T-M, INF
	NCR Universal Credit Union, Dayton	■	NCR	■	■	○	150	CIS
	Society National Bank, Cleveland	□	HBI	□	□	X	45	T-M, INF
	Third National Bank, Dayton	□	HBI	□	□	X	50	T-M, INF
	+ Toledo Trust Co.	■	VBK	■	■	○	200	○
	• Trustcorp Inc., Columbus	○	VBK	○	○	○	--	○
PENNSYLVANIA	Penn Security Bank & Trust Co., Scranton	■	Own	■	■	X	175	O
SOUTH CAROLINA	Bankers Trust Co. of S.Carolina, Columbia	□	PRO	□	□	○	200	PRO
TENNESSEE	United American Bank, Memphis	■	DA	■	■	X	95	X
	ONRL Credit Union, Oak Ridge	○	NCR	○	○	○	--	CIS
TEXAS	Mercantile National Bank, Dallas	○	Own	○	○	○	--	○
WASHINGTON	Peoples National Bank, Seattle	□	HBI	□	□	X	59	TM, INF
WISCONSIN	First Wisconsin National Bank, Milwaukee	□	HBI	□	□	X	150	TM, INF
CANADA	Bank of Montreal(Grassroots)	■	INF	○	■	X	150	INF
	Bank of Montreal(HBI)	□	HBI	□	□	X	181	T-M. INF

C0175-1A

American Banker

The Daily Financial Services Newspaper

150222000015 6/24/85 C11
CONGRESSIONAL INFOR SREV SRI
SUSAN GARNER
4520 E. WEST HIGHWAY
BETHESDA MD 20814

VOL. CL NO. 18 | Friday, January 25, 1985 | 150th Year

TODAY

Secondary Mortgage Market Review

Consumers would participate more directly in housing finance under plans by a Boston thrift to sell mortgage-backed securities to its customers, writes *American Banker* reporter David LaGesse in describing the opportunities the secondary mortgage market offers consumers and thrifts. Today's section begins on page 9

NEW RANKINGS: *American Banker* publishes a listing of the top 25 thrifts with the largest holdings of mortgage-backed pass-through securities 6

A DEPARTURE: Joel T. Williams 3d, the president and chief executive of H.R. "Bum" Bright's recently organized Bright Banc Savings Association, says he will leave that position 6

More thrift news 8

ON STANDBY: An appellate court decision on standby letters of credit may result in banks paying higher insurance premiums 1

RANDOM THOUGHTS on duration, loan pricing, and the efficient pricing of stocks 4

Executive Changes 26

THE BACK PAGE: Harold Greenwood is leading Minnesota's largest thrift from dark times into the light 32

Quote

I brought this company back from the brink. People have called me the Lee Iacocca of the thrift industry.

Harold W. Greenwood, chief executive officer of Midwest Federal Savings and Loan Association, commenting on his success at the thrift. [32]

Unquote

Random Thoughts

By SANFORD ROSE

Donald R. Van Deventer and Dennis G. Uyemura of First Interstate Bancorp. report that they are using duration in First Interstate's asset-liability planning. (Mr. Uyemura is manager of the bank's asset-liability management department.)

Only they don't call it duration. It is instead referred to as interest rate elasticity (IRE), defined as the percentage or dollar impact of a 100-basis-point change in rates on the market value of equity, the spread, or the capital-asset ratio.

Say the two bankers in an article that will be published in the Feb. 14 issue of the *American Banker:*

"We feel that interest rate elasticity provides a framework that complements gap analysis and simulation in three ways:

"(1) It emphasizes more than short-term results. All expected cash flows are properly weighted into the risk result.

"(2) It sensitizes management to the effect of interest rates on stock-price behavior, thus adding a shareholder perspective missing

Random Thoughts: Page 4

Primary Capital Climbs

	Primary Capital Ratios		
	12/31/84	9/30/84	12/31/84
Citicorp	6.03%	5.83%	5.05%
BankAmerica Corp.	5.86	5.71	5.06
Chase Manhattan Corp.	6.42	6.27	5.48
Manufacturers Hanover Corp.	5.77	5.70	5.01
J.P. Morgan & Co.	7.08	7.03	6.97
Chemical New York Corp.	6.32	5.80	5.52
Security Pacific Corp.	6.24	6.30	5.69
First Interstate Bancorp	6.13	6.14	5.84
Bankers Trust New York Corp.	6.26	6.04	5.64
First Chicago Corp.	6.08	5.93	5.64

Most Big Banks Have Hiked Capital In Excess of Regulatory Guidelines

By JOHN P. FORDE

NEW YORK — Using a number of methods, most of the nation's major banks beefed up their primary capital so much in 1984 that they now exceed the increased regulatory guidelines that were proposed earlier this year.

Total primary capital of the 10 largest bank holding companies rose to an average of 6.22% of assets at the end of 1984, up from 6.08% at Sept. 30 and 5.59% at the end of 1983.

Ronald I. Mandle, an analyst with Paine Webber Inc., pointed out that the progress made by major bank holding companies puts most of them over the 6% capital-to-assets threshold mandated by federal regulators.

The only bank holding company with primary capital that is below 6% is BankAmerica Corp., which still has until the end of 1986 to reach that point.

Mr. Mandle said the fourth quarter gave banks an opportunity "to both have good earnings and to build up the balance sheet as well," giving the companies a chance to satisfy investors with good earnings and regulators with increased reserves.

The concerted move to raise capital was expected by analysts, especially in light of the increased primary capital guidelines being pushed by regulators and the public "floggings" of two major bank holding companies by federal regulators during the fourth quarter.

In November, the Comptroller of the Currency told the Bank of America and the First National Bank of Chicago that they must raise their primary capital to 6% of assets by the end of 1984. This target was 50 basis points above the primary capital guidelines proposed earlier in the year by the Comptroller, the Federal Deposit Insurance Corp., and the Federal Reserve Board.

Primary capital, under the definition of the Federal Reserve Board, includes common stock, minority interest in equity of consolidated subsidiaries, perpetual preferred stock, mandatory convertible securities including mandatory stock purchase contracts, and the reserve for possible loan losses.

BankAmerica's consolidated primary capital ratio was 5.86% at the end of the year, compared with 5.06% on the same date a year earlier. The ratio for its lead bank was 5.87% at yearend 1984, 37 basis points above the minimum target set for that date in the bank's agreement with the Comptroller.

The increase in its primary capital was mostly attributed by BankAmerica Corp. to its issuance of $800 million in subordinated capital notes and managed reductions in earning assets. The company reported total average earning assets of $103.8 billion during the

Capital: Page 31

Court Defines Standby Letters As Deposits

Premiums Paid by Banks May Increase Due to Ruling

By BART FRAUST

NEW YORK — For years, bankers and their regulators have debated whether a type of commercial guarantee known as a standby letter of credit should be looked on as a loan for purposes of loan-loss reserves and capital ratios. Banks traditionally have booked standby letters as contingent liabilities not included on their balance sheets but rather in footnotes to financial statements.

A recent court decision may settle the question. Standby letters are deposits, according to a unanimous ruling by a three-judge panel of the U.S. Court of Appeals for the 10th Circuit in Denver.

Standby letters, like other letters of credit, are commercial instruments used to facilitate trade. Rather than lending money to a customer, the bank issuing the instrument agrees to stand ready to back the performance of a customer in the event the customer defaults on an obligation to a third party.

If the decision sticks, then in the event of a bank failure the holders of standby letters of credit will be treated the same as other insured depositors —with full insurance up to $100,000. And William M. Isaac, chairman of the Federal Deposit Insurance Corp., has said that the agency will pass that cost on to banks in the form of increased deposit insurance premiums.

The agency will assess a one-twelfth of 1% deposit insurance premium on standby letters. This adds up to a total

Standby: Page 5

Your Mid-South Connection

THIRD NATIONAL BANK

Member F.D.I.C.
Nashville, Tennessee

News About Thrifts

CEO to Resign at New Bright Banc; Management Structure Cited

Special to the American Banker

DALLAS — Joel T. Williams 3d, president and chief executive officer of H.R. "Bum" Bright's recently organized Bright Banc Savings Association, has said he intends to resign to pursue other business interests.

Mr. Williams, who held a similar title at the Texas Federal Financial Corp. before it was acquired by Mr. Bright's Trinity Banc Savings to form the new institution, said his departure is not due to differences with Mr. Bright or any of the organization's executives.

"I've known 'Boots' [Bright chairman James B. Reeder] for a long time," Mr. Williams said. "He is a good friend and I still consider him a good friend."

"My family is close to the Bright family and I would never want to do anything to jeopardize the good relationship that I feel I have with Mr. Bright and Boots and their family."

However, Mr. Bright said that while there was no rift between himself and the Williamses, the executive will resign because he is not happy with the management structure established for the organization.

"He had told me on several occasions that he was not accustomed to work under the supervision of an executive committee or boards," Mr. Bright said. "He told me he felt it would cramp his style to work under an executive committee or board.

"I told him I was truly sorry he felt that way, but that would be the format of operations under the new shareholder's ownership."

While Texas Federal was publicly traded, it was essentially a family-operated S&L. Mr. Williams held the title of chief executive officer.

Mr. Williams, 36, who graduated from law school at Southern Methodist University, joined his father, Joel T. Williams Jr., at Texas Federal in 1974. He quickly rose through the ranks, holding the titles of vice president, senior vice president, and executive vice president, before becoming president in 1980.

Texas Federal had its initial stock offering in 1981.

Mr. Bright, a Dallas millionaire and principal owner of the Dallas Cowboys football team, completed his purchase of Texas Federal last month for $44 a share.

He has stated intentions to transform the resulting institution into a large, interstate financial services company with interests in banking, mortgages, title operations, and leasing.

Bright Banc Savings now is the sixth largest savings and loan in Texas and has a total asset base exceeding $2 billion. It has 44 branches throughout the state.

Analysts and other thrift executives had questioned whether Mr. Williams and his father, who was chairman of Texas Federal, would stay with Bright Banc Savings following the merger. The senior Mr. Williams' friendship with Mr. Bright goes back to their high school days.

Analysts raised doubts about whether the Williamses would want to work for the Dallas businessman and Mr. Reeder, who is Mr. Bright's son-in-law.

"This comes as no surprise," said one analyst, who asked to remain unnamed.

A replacement for Mr. Williams is being considered, but Mr. Bright did not identify any candidates. Mr. Bright said Mr. Williams will continue to have an office in his organization until he finds another job.

"We are close personally," Mr. Bright said. "He wants to counsel with me about other opportunities and get my advice. I said I would be happy to counsel with him and help him make appointments."

Mr. Williams, who said his father will remain with Bright as senior chairman, said he had considered resigning for some time.

JOEL T. WILLIAMS

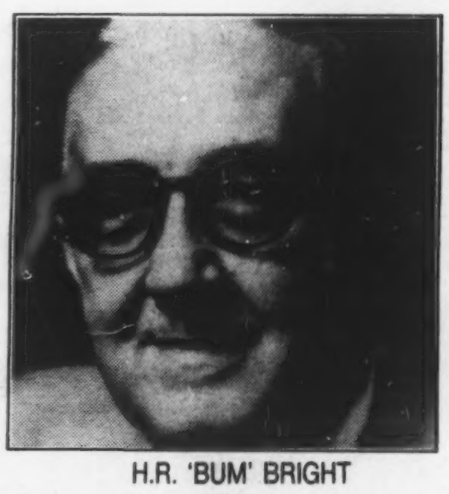
"I had considered the possibility of leaving the S&L business and doing something else for several months after it became evident that Texas Federal was going to be sold," Mr. Williams said.

"I felt if I could assist in the sale of the company and help the shareholders realize a return from their investment and the confidence they placed in us, then my role here would be finished, and this would give me the perfect opportunity to pursue something else if that is what I wanted to do.

"It was not a snap decision that I made overnight," he added.

Mr. Williams said he has not found another job or decided what else he wants to do. However, he said he would prefer to remain in a financial position and mentioned several real estate-related possibilities such as another S&L position, mortgage banking, and title company operations. ■

Bright Banc
Savings Association



H.R. 'BUM' BRIGHT

JAMES B. REEDER

Top 25 Thrifts in Mortgage-Backed Pass-Through Securities

As of June 30, 1984
(Dollar Amounts in Thousands)

Rank	Name of Thrift	Total Assets	Mortgage Pools Insured by U.S. Gov't Agencies	Other Mortgage Pools (a)	Total Holdings of Pools of Mtge.-Backed Securities
1	American Savings & Loan Assn., Stockton, Calif.	31,299,138	6,976,273	95,856	7,072,129
2	First Federal of Michigan, Detroit	8,939,462	2,936,202	250,028	3,186,230
3	World Savings, FS&LA, Oakland, Calif.	8,744,317	2,369,433	36,152	2,405,585
4	Home Savings of America, FA, Los Angeles	22,234,822	2,088,603	32,587	2,121,190
5	California Federal Savings & Loan Assn., Los Angeles	15,975,343	1,894,555	73,527	1,968,082
6	Benjamin Franklin Federal S & L Assn., Portland, Ore.	3,679,726	319,287	1,365,490	1,684,777
7	Columbia Savings & Loan Assn., Beverly Hills	4,368,317	1,332,771	0	1,332,771
8	Talman Home Federal Savings & Loan Assn., Chicago	6,486,246	1,223,616	93,671	1,317,287
9	Twin City Federal Savings & Loan Assn., Minneapolis	4,481,289	1,108,739	192,381	1,301,120
10	Carteret Savings & Loan Assn., FA, Newark, N.J.	4,857,273	1,287,184	1,100	1,288,284
11	First Federal Savings & Loan Assn., Rochester, N.Y.	4,284,033	1,269,743	181	1,269,924
12	Great Western Savings, FS&LA, Beverly Hills	18,897,453	1,234,018	0	1,234,018
13	Glendale Federal Savings & Loan Assn., Calif.	10,351,652	1,226,446	0	1,226,446
14	Guardian Savings & Loan Assn., Dallas	1,519,728	1,119,319	0	1,119,319
15	Franklin Savings Assn., Ottawa, Kan.	1,139,436	1,050,523	0	1,050,523
16	Long Island Savings Bank of Centereach FSB, N.Y. (b)	2,703,515	1,037,058	2,076	1,039,134
17	Dade Savings & Loan Assn., Miami	2,946,630	1,007,315	10,824	1,018,139
18	American Savings & Loan Assn. of Florida, Miami	4,185,363	962,465	24,032	986,497
19	First Federal Savings & Loan Assn., Phoenix, Ariz.	3,462,534	892,537	85,579	978,116
20	First Nationwide Savings, FS&LA, San Francisco	8,988,420	952,049	0	952,049
21	Anchor Savings Bank FSB, Wayne, N.J. (c)	2,465,968	818,334	0	818,334
22	Gibraltar Savings, Beverly Hills	7,728,259	794,236	0	794,236
23	Homestead Savings, FS&LA, San Francisco	2,573,993	717,639	0	717,639
24	Anchor Savings Bank FSB, Northport,N.Y. (d)	3,925,489	700,366	0	700,366
25	Florida Federal Savings & Loan Assn., St. Petersburg	4,636,947	697,544	0	697,544

The listing consists of savings institutions — state and federally-chartered savings and loans and federally-chartered savings banks — insured by the Federal Savings & Loan Insurance Corporation (FSLIC). Mortgage-backed pass-through securities include both interest and principle. Data provided by Data Resources Inc., Lexington, Mass., from their data base of FSLIC-insured institutions.

(a) — Other pools include pools of conventional mortgages and privately-insured mortgage-backed securities.

(b) — Formerly known as Suffolk County Federal Savings and Loan Association. It changed its name when it was acquired by Long Island Savings Bank FSB, Syosset, N.Y., and it is now a division of that bank. Data shown here are not consolidated, but are for the Centereach division only.

(c) — Formerly known as Suburban Federal Savings & Loan Association, Wayne, N.J. It was acquired by Anchor Savings Bank FSB, Northport, N.Y., in August 1983, and it is now a division of that bank. Data shown here are not consolidated but are for the Wayne division only.

(d) — These data are for the Northport division only. If the Wayne, N.J. and Northport, N.Y. divisions were combined, Anchor Savings Bank would rank seventh in this listing with $1.519 billion in mortgage-backed pass-through securities.